

NORTH CAROLINA
DEPARTMENT OF STATE TREASURER



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STATE TREASURER OF NORTH CAROLINA
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Unclaimed Property Division

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Unclaimed Property Division

- The Department of State Treasurer oversees and maintains the State's unclaimed property. By law, unclaimed property is escheated, or turned over, to the department for safekeeping.
- The Unclaimed Property Division (UPD) is responsible for recovering, safekeeping and returning property to its rightful owners.
- Much of the UPD's work is guided by NCGS Chapter 116B-Escheats and Abandoned Property.



The Escheat Fund

- Approximately 11 million properties are currently being held in the Escheat Fund.
- As of the FY ending June 30, 2017, the Escheat Fund carried an investment balance of \$583 million and a fund balance of \$659 million.
- The interest earned on these funds pays for UPD's operating costs. All remaining interest is sent to the State Education Assistance Authority (SEAA) to provide financial aid to NC students attending NC colleges and universities. In addition, since 2003 the State has used a significant amount of the Escheat Fund's principal to fund student financial aid.
- Between FY 2013 and FY 2017, more than \$319 million was transferred from principal to fund student financial aid.



UPD Operations

- UPD consists of a team of 27 permanent employees whose primary function is to:
 - Recover Unclaimed Property
 - Return Property to its Rightful Owners
 - Provide Education and Outreach to Key Stakeholders



Recover Unclaimed Property

- Compliance and Audit Team (6 staff members)- facilitates the reporting of unclaimed property through holder education and compliance audits.
- Receipts and Reporting Team (6 staff members)- responsible for the receipt, recording and maintenance of all unclaimed property.

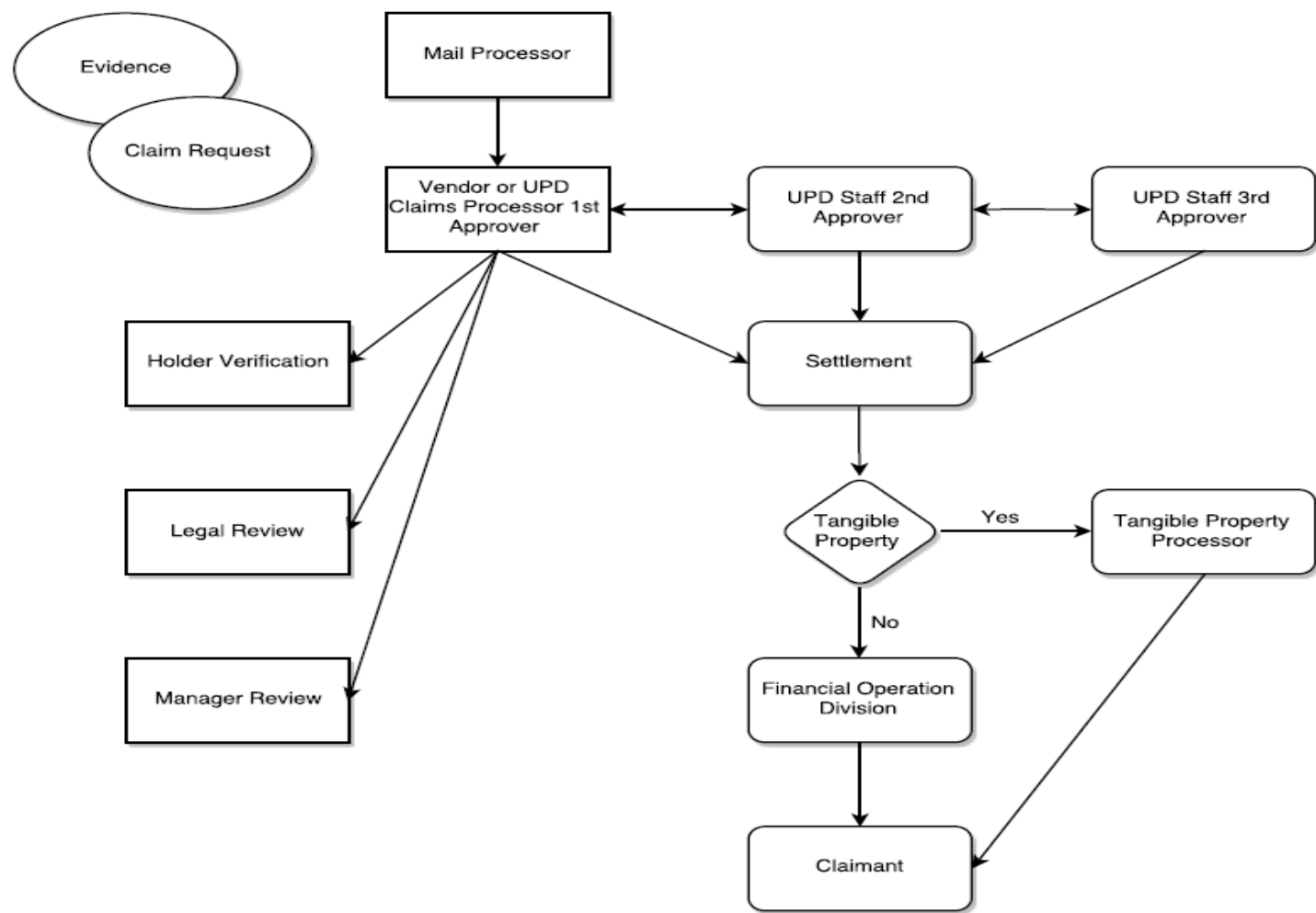


Return Property to Rightful Owners

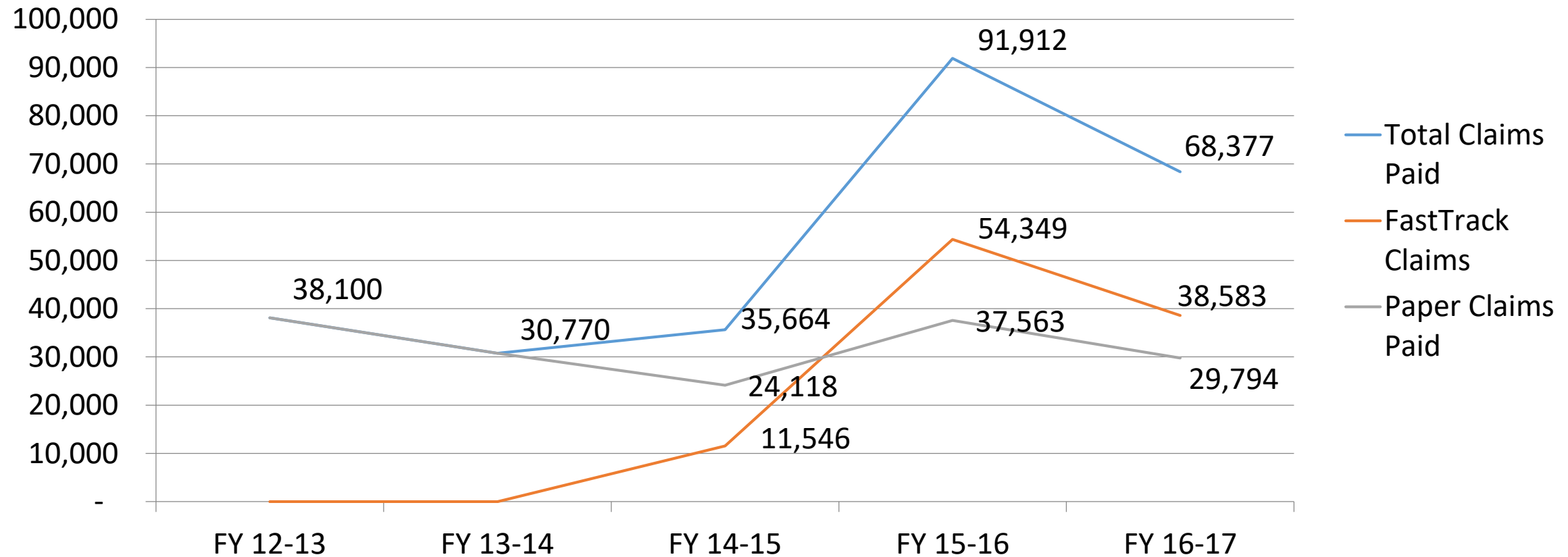
- Claims Processing Team (8 staff members) - reunites owners with their unclaimed property through documentation review and validation.
- Prior to 2009, the Department paid less than 30,000 claims per year. This number has continued to increase due to outreach, media coverage and other awareness efforts. We are currently paying more than 60,000 claims each year.
- By statute, the Treasurer shall allow or deny a claim within 90 days after it is filed, and pay or deliver the property to the claimant within an additional 30 days. Due to the volume of claims received annually, the UPD relies on the assistance of an external vendor to provide Claims Processing and Call Center Support to meet the statutory deadlines.



Claims Processing Workflow



Claims Paid Annually



Provide Education and Outreach

- Owner Outreach
 - NCCash.com website
 - Securities and Tangible Property Outreach
 - Events – State Fair, Earned Media
- Holder Education
 - Assist businesses to become and remain compliant with reporting requirements.
 - Conduct Holder Education presentations to businesses and associations.



2017-2019 Operational Priorities

- Secure a new, fully integrated Unclaimed Property Management System with increased automation for all core functions.
- Increase efficiencies within manual processes through removal of duplicative or unnecessary steps.
- Expand automated claims processing (E-Claims). Eligible claims are validated electronically (without submission of paper forms) and are paid within 5 business days or less.
- UPD's additional staffing needs will be further assessed once all system and operational improvements have been put in place.

